

**Budget 2012: Three Good News For Civil Servants**  
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KUALA LUMPUR, Oct 7 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak Friday announced three good news for civil servants, namely an increase in retirement age to 60 as well as salary increment and bonus payment.

Tabling the 2012 Budget in the Dewan Rakyat Friday, the prime minister said the government would pay a half-month salary bonus with minimum payment of RM500 to its 1.3 million civil servants and RM500 in assistance to 618,000 government pensioners.

These would be paid in the December salary, he said.

On the retirement age, Najib said civil servants aged 55 to 60 were capable of contributing based on their skills and experience.

"The government will extend the compulsory retirement age from 58 years to 60 to optimise the civil servants' contribution. This extension will not jeopardise employment prospects for the younger generation as the public and private sectors will continue to create new job opportunities," he said.

The government will also introduce the New Civil Service Remuneration Scheme (SBPA) replacing the Malaysian Remuneration Scheme, under which civil servants will receive an annual salary increment of RM80 to RM320 according to their grade.

"In addition, civil servant who opt to receive the SBPA will receive an annual increment of between 7 per cent and 13 per cent," he said.

He also said that some 600,000 pensioners would get to enjoy pension adjustments following the implementation of the SBPA.

"Effective 2013, the government will implement an annual pension increment of two per cent without having to wait for any review of the remuneration system or salary adjustments," he said.

On the SBPA, he said, the government was making improvement on the salary structure of the civil servants with a view to allowing them to get annual salary increments for a longer period.

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"With this, the maximum salary grade will be higher," he said.

Najib said under the new scheme with a time-based promotion, a teacher would achieve grade 44 on the eighth year and grade 48 on the 16th year of service and no longer had to wait 20 years to be promoted.

For non-graduate teachers under the current time-based system, it will take 10 years to be promoted from grade 29 to 32 while under the SBPA, it will only take eight years.

"Currently, promotions from grade 32 to 34 are based on vacancies. However under the SBPA, a time-based eight years promotion will be applied," he said.

Under the SBPA, an Exit Policy would be formulated for under-performing civil servants and for those who opt to leave the service.

The government would also offer study fees assistance to civil servants who pursued higher learning on a part-time basis, he said.

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